

28 AUG 1980

MEMORANDUM FOR: Director, Consolidated SAFE Project
Office, ODP

STATINTL FROM:

██████████
Chief, Real Estate and Construction
Division, OL

SUBJECT: Funding for Phase I Construction of the
SAFE Computer Center

STATINTL 1. This memo is in regard to yours of 12 August 1980 requesting recovery of the funds presently in the hands of General Services Administration (GSA) which are in excess to the requirements for Phase I construction. My project officer, ██████████, is preparing a letter and amended work authorization to GSA to recover these funds as requested. Based on verbal negotiations thus far, it is my belief that we may expect to get approximately \$400,000 back from this effort. You are advised not to attempt utilization of these funds for other purposes in FY-80 until official documentation is received from GSA de-authorizing such funding from their system.

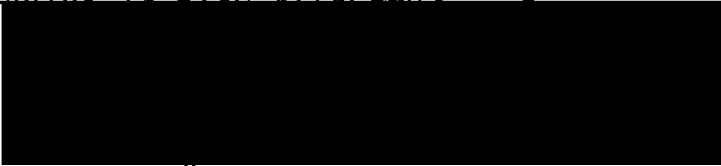
2. There are two concerns which I must bring to your attention. One, of course, is that we ensure that Phase II funding will be available in a timely fashion to avoid disruption to the total project development. A more troublesome and perhaps more difficult to control problem is one of the real issues of unexpected costs arising from potential contractor claims for delays resulting from such things as lack of sufficient security escorts. Please note the options of (1) project delay or (2) assurance that delay claims will be funded by this Agency explicitly mentioned in the 20 June letter from Mr. Huber of GSA Operations Branch attached. My answer to Mr. Huber dated 21 August 1980 is also attached. An exchange of correspondence between the Director of Logistics, Director of Security and Director of Personnel Policy, Planning and Management on this is useful in describing the dimension of the problem but not totally encouraging in providing the solution. Neither we, nor any of the above, have planned or set aside funds for this purpose.

3. I, therefore, caution you that while the short-range effect of recovery of the excess funds for other uses

OL 0 3737a

SUBJECT: Funding for Phase I Construction of the
SAFE Computer Center

is believed possible, the long-range spectre of unexpected costs beyond remaining available funds and resultant delays is also a possibility of which you must be aware. A copy of my letter to Repair and Alteration Division of GSA requesting the return of excess funding is also attached.



STATINTL

Attachments:
As Stated

Distribution:

- Orig - Addressee (w/atts)
- ✓ - OL/RECD Official (w/atts)
- 1 - OL/RECD Chrono (wo/atts)
- 1 - OL/Reader (wo/atts)

STATINTL OL/RECD  :jsr/8111 (28 Aug 80)